

## **KENTUCKY DEPARTMENT OF EDUCATION**

### **STAFF NOTE**

#### **Action/Discussion Item:**

Preschool Funding, 2006-2007 Rates

#### **Applicable Statute or Regulation:**

KRS 157.226, KRS 157.3175, 702 KAR 3:250

#### **Action Question:**

Should the Kentucky Board of Education (KBE) approve the Kentucky Preschool Program per-child rates and set-aside for 2006-2007?

#### **History/Background:**

**Existing Policy.** The Kentucky Preschool Program is a statewide program serving 3- and 4-year-old children with disabilities and 4-year-olds who are free-lunch eligible. The preschool program provides a minimum of a half-day developmentally appropriate program with services that include meals and parent training and may include transportation. The preschool program also meets the comprehensive needs of children through collaboration with medical, health, mental health and social service agencies.

**Per-Child Rates.** The per-child rate varies according to the child's status. There is a standard preschool rate for 4-year-old at-risk children without disabilities, and weighted amounts for 3- and 4-year-old children with disabilities according to three categories: developmental delay, speech/language and severe.

Each spring, the Kentucky Board of Education establishes the per-child rates for the Kentucky Preschool Program for the upcoming school year based on the budget approved by the legislature.

**Funding Procedures.** According to the *Preschool Funding Guidelines*, districts receive a tentative award at the beginning of the school year. The tentative award is calculated from the district's preschool enrollment from the previous year, multiplied times the per-child rates for the new school year. After the new school year enrollment count is collected on December 1, the district receives a final award notice. The final award has an upward adjustment if enrollment has grown by more than 5% over the past year. Districts with enrollment decreases of more than 5% are advised of an offset that will be deducted from the next year's disbursement (not taken from current year allocation).

Table I shows the preschool rates from 1997 to the current year's rate, with the at-risk rate and each of the special education allocations listed separately.

**Table I. Preschool rates for at-risk and disabilities 2001-2006**

Categories	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
At-Risk	\$2,505	\$2,241	\$2,170	\$2,291	\$2,150
Speech/Language	\$2,639	\$2,353	\$2,279	\$2,405	\$2,258
Developmental Delays	\$3,403	\$3,317	\$3,038	\$3,207	\$3,011
Severe/Multiple Disabilities	\$5,565	\$4,257	\$4,123	\$4,353	\$4,086

**State Enrollment Trends.** Figure 1 shows the total enrollment trend in the state preschool program. Overall, there was a slight decrease in enrollment during 2005-06 for the first time in the history of the program.

**Figure 1: State Funded December 1 count 1994-2005**

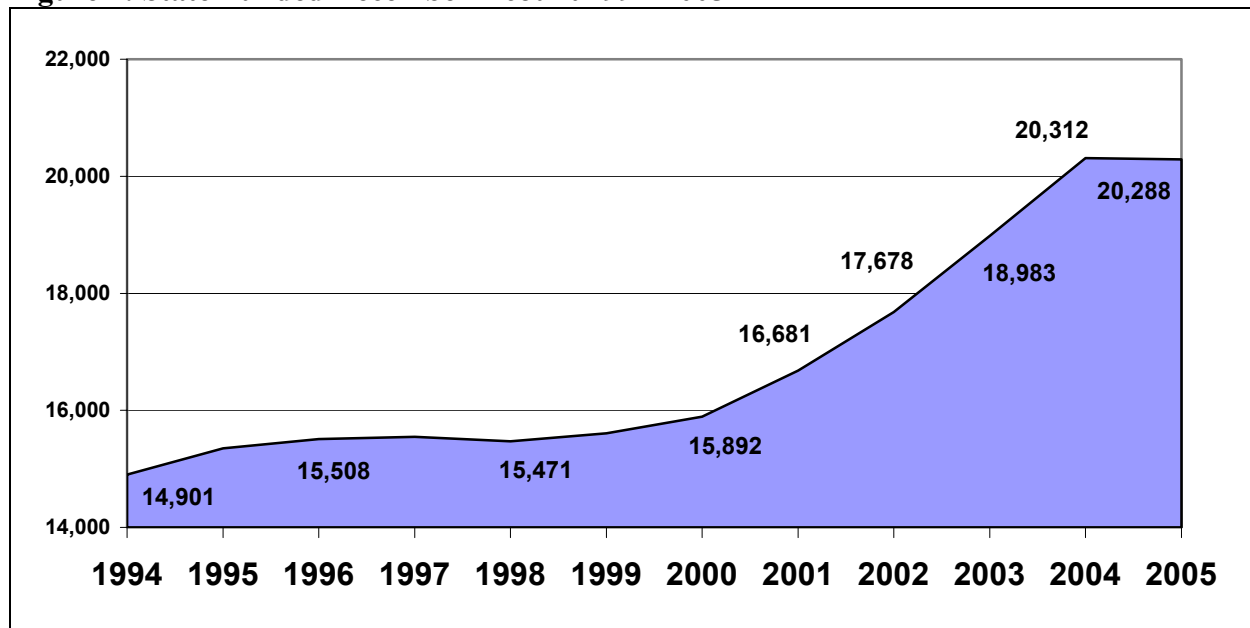
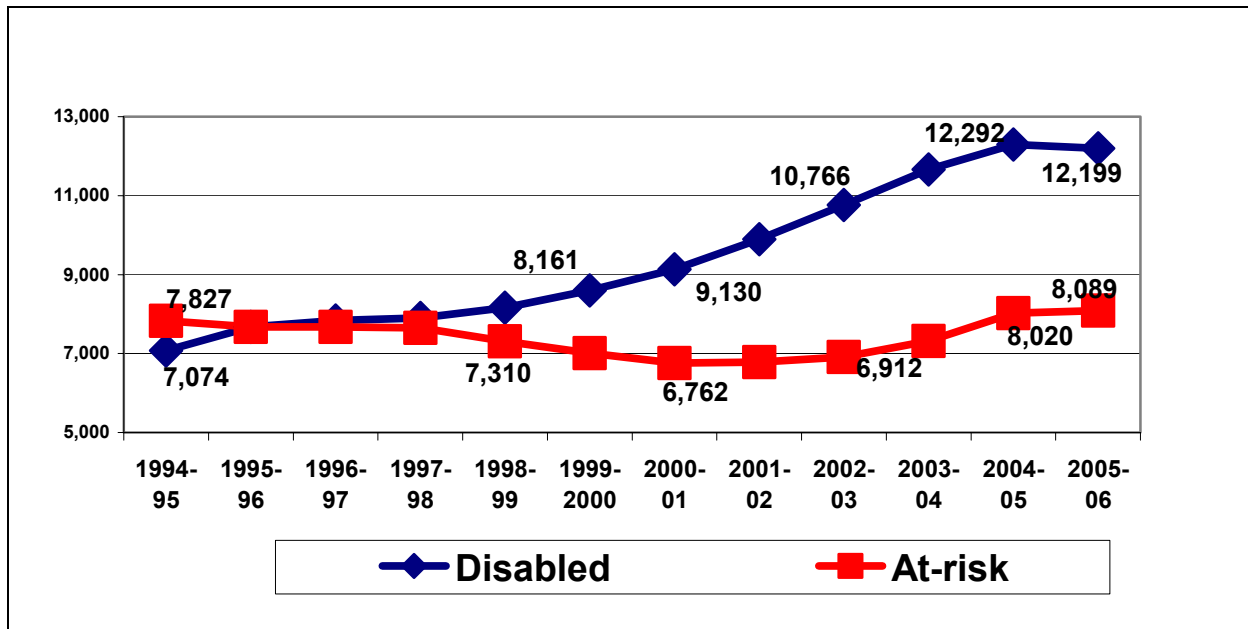


Figure 2 shows an increase in the at-risk population while the number of participants with disabilities declined. One possible reason could be related to an updated version of an evaluation instrument (Batelle-Revised) that is widely used. This updated instrument provides a more accurate age-appropriate evaluation.

**Figure 2. Number of at-risk children and children with disabilities served in Kentucky's state-funded preschool program 1994-2006.**



***District Challenges.*** Kentucky preschool coordinators report transportation, salaries, materials/supplies, professional development and support for children with disabilities as their top funding challenges.

***Rate Selection.*** It is anticipated that the amount of funds and eligibility for the state funded preschool program for 2006-2007 will increase, which may increase the per-child rates. However, the per-child rate will depend on the budget that is passed by the General Assembly and at the time of the writing of this staff note, specific figures were not available.

**Staff Recommendation and Rationale:**

Staff proposes that the Board approve a preschool rate that will be forwarded to the Board under separate cover when budget figures become available, hopefully prior to the April KBE meeting. That proposal will include a 2006-2007 preschool rate based on the most current budget information. The proposal will allow for an upward adjustment at the end of the year to allow some additional funding for districts experiencing 5% or more growth based on the December 1, 2006, count.

**Impact on Getting to Proficiency:**

Every child is capable of learning and achieving at high levels regardless of socioeconomic background or other issues of diversity. Adequate funding for preschool is essential for high-quality teaching and learning, within strong and supportive classroom environments, with qualified staff to enable children to enter the primary program ready to succeed.

**Contact Person:**

Starr Lewis, Associate Commissioner  
Office of Teaching and Learning  
(502)564-9850  
[starr.lewis@education.ky.gov](mailto:starr.lewis@education.ky.gov)

Kim Townley, Director  
Division of Early Childhood Development  
(502) 564-8341  
[kim.townley@education.ky.gov](mailto:kim.townley@education.ky.gov)

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**Deputy Commissioner**

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**Commissioner of Education**

**Date:**

April 2006